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2 (Hearing Requested)  
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1 Defendants John Branca and John McClain in their capacity as Executors of the  
 2 Estate of Michael J. Jackson, deceased, MJJ Productions, Inc., and dick clark productions,  
 3 inc., by and through their counsel Gordon Silver and Kinsella Weitzman Iser Kump &  
 4 Aldisert, LLP, together with Defendants Pulse Evolution Corporation, Pulse Entertainment  
 5 Corporation, John Textor, and William James Rock, by and through their counsel  
 6 Campbell & Williams and Lavelly & Singer, hereby move for an order, pursuant to Federal  
 7 Rule of Civil Procedure 12(b)(6), dismissing all claims in the Second Amended and  
 8 Supplemental Complaint (“SAC”) related to allegations of infringement of U.S. Patent No.  
 9 5,865,519 (“the ’519 patent”) for failure to state a claim upon which relief can be granted.

10 More specifically, Defendants seek dismissal of the following claims for relief,  
 11 without leave to amend, in the SAC:

- 12 1. The First Claim for Relief for “Infringement of Patent No. 5,865,519”;
- 13 2. The Third Claim for Relief for “Willful Infringement” insofar as it relates to  
   the alleged willful infringement of the ’519 patent;
- 15 3. The Fourth Claim for Relief for “Active Inducement” insofar as it relates to  
   the alleged induced infringement of the ’519 patent;
- 17 4. The Fifth Claim for Relief for “Contributory Infringement” insofar as it  
   relates to the alleged contributory infringement of the ’519 patent; and
- 19 5. The Sixth Claim for Relief insofar as it seeks injunctive relief relating to the  
   alleged infringement of the ’519 patent.

21 This Motion is made and based on the following Memorandum of Points and  
 22 Authorities, the SAC (including the exhibits thereto and the matters incorporated into the  
 23 Complaint by reference), the accompanying Request for Judicial Notice and Declaration of  
 24 Gregory Korn (with attached exhibits), any further briefing on this matter, and any oral  
 25 argument the Court may permit at a hearing of this matter.

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**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION**

On May 18, 2014, a computer-animated “virtual” Michael Jackson performed at the Billboard Music Awards (“BMAs”) in Las Vegas to a previously unreleased song entitled “Slave To The Rhythm.” Through a stage illusion known as “Pepper’s Ghost,” a two-dimensional projection of Jackson appeared as a 3D image.

By Plaintiffs’ admission, this “Pepper’s Ghost” illusion is over 150 years old and has been used for decades in “movies, concerts, magic shows and amusement park rides,” including Disney’s Haunted Mansion. Second Amended And Supplement Complaint (“SAC”), ¶ 1. Nevertheless, Plaintiffs allege that the Billboard Awards performance of Jackson infringed three patents that purport to cover “new incarnation[s] of Pepper’s Ghost”—U.S. Patent No. 5,865,519 (“the ‘519 patent”), U.S. Patent No. 7,883,212 (“the ‘212 patent”), and U.S. Patent No. 8,328,361 (“the ‘361 patent”). In fact, not one of these patents was infringed. And the lack of infringement of the first of the three patents is readily apparent from the face of Plaintiffs’ pleading.

Putting aside questions regarding the patentability of Maass’s “invention,” the ‘519 patent purports to cover one very specific configuration of the age-old Pepper’s Ghost illusion. Specifically, the ‘519 patent claims a Pepper’s Ghost configuration in which: (i) a projector located at the ceiling (ii) projects an image onto a “reflecting surface” arranged on the floor of the stage, which (iii) reflects the image back into a transparent, reflective “foil” (e.g., Mylar) that leans forward toward the audience. Maass was not the first to use a projector, or a reflecting surface, or a transparent foil in a Pepper’s Ghost illusion. Thus, the ‘519 patent merely claims one specific arrangement of these common elements.

The SAC attaches and incorporates by reference a schematic of the accused apparatus from the Billboard Awards. No amount of verbal gymnastics or sleight-of-hand by Plaintiffs can change what is undeniably shown in the materials attached to their own complaint: Defendants simply did not use the ‘519 patent’s purportedly novel configuration for a Pepper’s Ghost illusion. The accused apparatus did not create the

1 illusion by projecting an image onto a reflecting surface on the floor, as is required to  
 2 infringe the '519 patent. Nor did the accused apparatus use a forward angled foil as is  
 3 required to infringe. The accused apparatus uses different components in a different  
 4 configuration, based on prior art techniques that are in the public domain.

5 Knowing that the Billboard Awards apparatus does not literally infringe the '519  
 6 patent (or even come close), Plaintiffs are relegated to asserting infringement under the  
 7 doctrine of equivalents. Plaintiffs' equivalence arguments are frivolous and fail as a matter  
 8 of law. A finding of infringement under the doctrine of equivalents would (i) vitiate the  
 9 '519 patent's claim limitations, causing them to cover the antithesis of what was claimed,  
 10 and (ii) impermissibly expand the patent to encompass the prior art.<sup>1</sup>

11 Federal Circuit precedent is clear that a district court need not accept a plaintiff's  
 12 allegations of infringement as true at the pleading stage where, as here, the lack of  
 13 infringement is established by materials attached to its pleadings. For the reasons  
 14 discussed further below, Defendants respectfully request that the Court dismiss with  
 15 prejudice all claims for direct, contributory, and willful infringement of the '519 patent.

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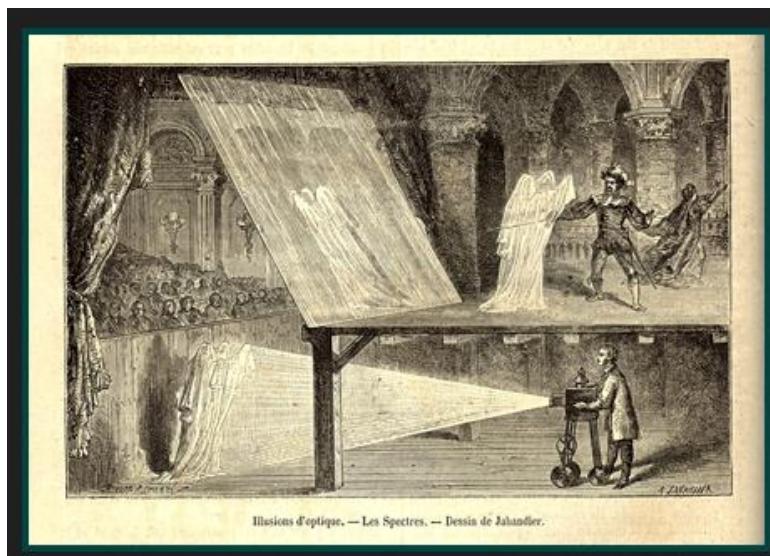
24           <sup>1</sup> Plaintiffs' claims for infringement of U.S. Patent Nos. 7,883,212 (the "'212  
 25 patent") and 8,328,361 (the "'361 patent") – which relate to how the foil is held – are  
 26 similarly baseless. Because Plaintiffs did not attach any evidence regarding the clamping  
 27 mechanism in the accused device to the SAC, Defendants do not move to dismiss these  
 claims and instead will be seeking summary judgment shortly. The inspection ordered by  
 the Court demonstrated that no plausible claim for infringement of the '212 Patent or '361  
 Patent could be made.

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1       **II. BACKGROUND**

2           **A. The Purported “Inventions” In This Case Involve A Stage Illusion That**  
 3           **Dates Back To The 1860s**

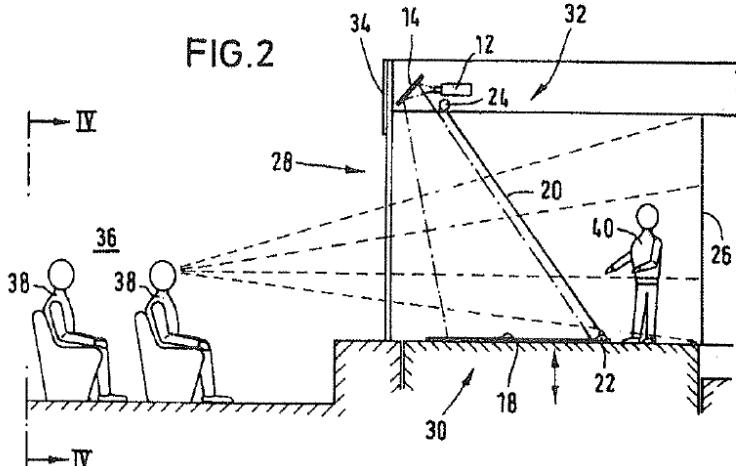
4       The Pepper’s Ghost illusion dates back to 19th Century inventors John Pepper and  
 5 Henry Dircks. SAC ¶ 1. Pepper’s Ghost “relied . . . on a heavy pane of glass positioned  
 6 on stage to reflect the image of an actor positioned off-stage.” *Id.* ¶ 28. The reflection of  
 7 the off-stage actor on the pane of glass created a ghostly illusion that would appear  
 8 alongside and could interact with a second actor on stage, as illustrated below:



19       “[O]ver the last 150 years,” the illusion “has appeared in movies, concerns, magic shows  
 20 and amusement park rides,” *id.* ¶ 1, including at Disneyland’s Haunted Mansion. *Id.* ¶ 28.  
 21 According to Plaintiffs, the ‘519 patent embodies “a new incarnation of Pepper’s Ghost.”  
 22 SAC ¶ 1. The ‘519 patent is attached as Exhibit A to the SAC and, for the Court’s  
 23 convenience, as Exhibit 1 to the Declaration of Gregory Korn (“Korn Decl.”).

24           **B. The ‘519 Patent Discloses One Specific “Incarnation” Of Pepper’s Ghost**

25       The ‘519 patent’s purportedly “new incarnation” of the Pepper’s Ghost illusion is  
 26 shown in Figure 2 of the patent:



See Dkt. No. 188, Exh. A, p. 36. In this version of Pepper's Ghost, a projector (12) projects an image onto a mirror (14), which reflects the image toward the floor (30). '519 patent, Col. 3, lines 61-63. A "reflecting surface" (18) on the floor reflects the image on to a plastic "foil" (20), such as Mylar. *Id.*, Col. 3, lines 63-64. To the audience (38), the image on the plastic foil appears like a virtual image in the background of the stage. *Id.*, Col. 3, lines 64-66.

The particular placement of the projector, reflecting surface, and foil shown in Figure 2 of the '519 patent was incorporated into the "claims" of the patent, which (as the Court knows) are the portion of the patent which "define[s] the invention to which the patentee is entitled the right to exclude." *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1115 (Fed. Cir. 2004). The '519 patent has one independent claim (claim 1) and several dependent claims (claims 2 through 15).<sup>2</sup> By law, each of those dependent claims "incorporate[s] by reference all the limitations of the claim to which it refers." 35 U.S.C. § 112(d). Accordingly, the following limitations from claim 1 of the patent apply equally to every other claim in the patent:

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<sup>2</sup> Dependent claims refer to a prior claim of the patent. For example, claim 2 of the '519 patent starts: "Apparatus as set forth in claim 1 . . . ."

1. Apparatus for representing moving images in the background of a  
 2 stage using an image source, said stage including a floor, a ceiling  
 3 disposed vertically above said floor and a background disposed  
 4 therebetween, said apparatus characterised in that a reflecting surface  
 5 (18) is arranged on said floor (30) of said stage (28) in the central  
 6 region thereof, a transparent smooth foil (20) extends between said  
 7 floor (30) and said ceiling (32) at a position which is disposed further  
forwardly, and the image source is arranged at the ceiling (32) in front  
 9 of the upper end of the foil (2) which is held there, and is directed on  
 10 to the reflecting surface (18).

11 '519 patent, cols. 4:59-5:2 (emphasis added).

12 As shown in underlined portions of claim 1 above, the '519 patent was not drafted  
 13 to cover any type of Pepper's Ghost illusion. It was not drafted to cover every Pepper's  
 14 Ghost illusion using a projector, a reflecting surface, and a foil. Rather, the '519 patent  
 15 only claims as its invention a Pepper's Ghost illusion in which the projector directs an  
 16 image onto a reflecting surface that is on the floor of the stage, and in which the plastic foil  
 17 on which the image is viewed is "disposed further forwardly" at the ceiling than at the  
 18 floor—*i.e.*, the foil is angled forward toward the audience.

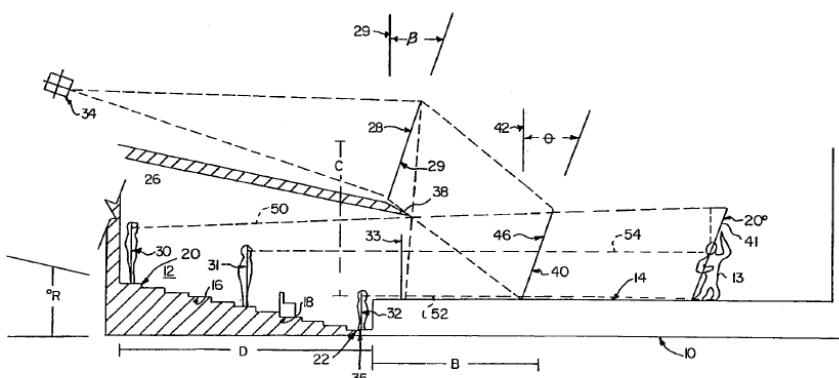
19 It was not an oversight or accident by Plaintiffs to limit the scope of the '519 patent  
 20 in this way when they applied for the patent. As discussed in the following Section, these  
 21 limitations on the scope of the claims were absolutely necessary because of the crowded  
 22 field of prior art.

### 23       C.     The '519 Patent Narrowly Claimed Its Invention To Avoid Prior Art

24       To obtain patent protection, an applicant must claim an invention that is both  
 25 "novel" and "non-obvious" over the prior art. 35 U.S.C. §§ 102-103. One cannot patent  
 26 technology that is disclosed in, or obvious in light of, the prior art. *Id.*; *see also Whitserve,*  
*27 LLC v. Computer Packages, Inc.*, 694 F.3d 10, 21 (Fed. Cir. 2012); *KSR Intern. Co. v.*  
*28 Teleflex Inc.*, 550 U.S. 398 (2007).

Because Pepper’s Ghost has existed for over 100 years, there are numerous prior art patents and patent applications concerning the creation of the illusion in a theater space. Three such patents that are particularly on point vis-à-vis the ‘519 patent, and which are cited in the ‘519 patent itself, are U.S. Patent No. 4,805,895 to inventor Bob Rogers (“Rogers”), U.S. Patent No. 5,685,625 to inventor Robert Thomas Beaver (“Beaver”), and U.S. Patent No. 5,573,325 to inventor Andrew Lekowski (“Lekowski”).<sup>3</sup> To obtain the ‘519 patent, Plaintiffs needed to claim an invention that was not already disclosed in Rogers, Beaver, and Lekowski, and that was not obvious in light of this prior art.

9 As shown in Figure 2 of the Rogers patent below, that prior art reference taught to  
10 create a Pepper's Ghost illusion by projecting an image from "projector 34" on to a "rear  
11 view projection screen 28," which was then reflected by a "reflecting member 40 [which]  
12 is composed preferably of semi reflective and semi transmissive glass":

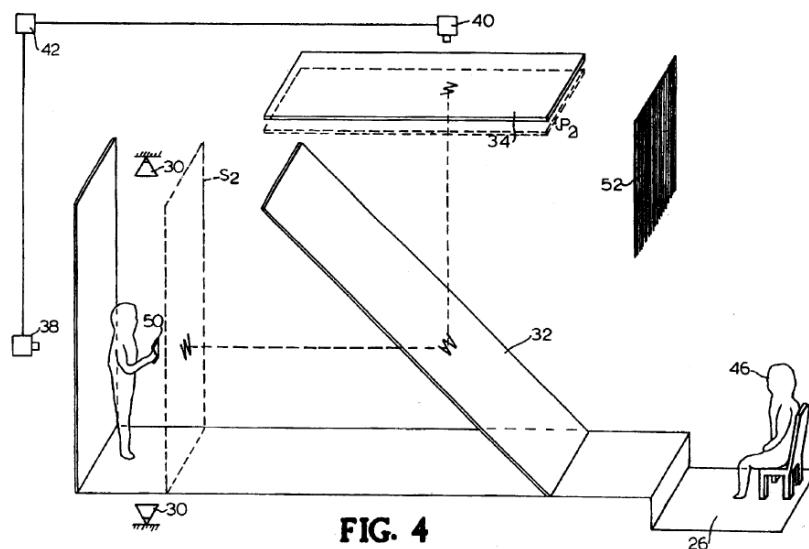


**FIG. 2**

**21** See Request for Judicial Notice (“RJN”), ¶ 1, Korn Decl., Exh. 2 (Rogers Pat. Col. 6, lines  
**22** 42-44; Col. 7, lines 7-21). Rogers described that “[t]he combination of the rear view

1 projection screen 28 and the reflecting member 40 locates a virtual image appearing to the  
 2 audience to be disposed beyond the reflecting member 40.” *Id.*, Col. 7, lines 29-33.

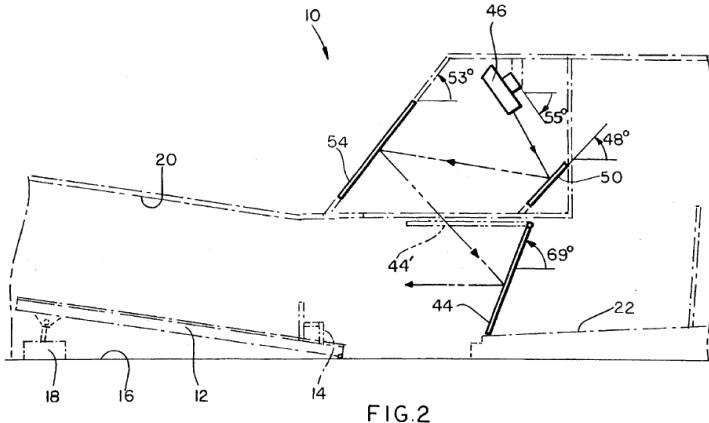
3 As shown in Figure 4 from the Beaver patent (below), that prior art reference taught  
 4 to create a Pepper’s Ghost illusion by projecting an image from projector (40) downward  
 5 using “rear projection” onto a rear projection screen (34), with the image then being  
 6 reflected by a “partially silvered mirror” (32), such that the audience in “viewing area”  
 7 (26) would “see the images reflected in mirror 32” while also seeing “an actor or other  
 8 selected object(s) through mirror 32”:



19 See RJD ¶ 2, Korn Decl. Exh. 3 (Beaver Pat. Col. 4; Col. 5, lines 20-25).

20 The Lekowski patent, which is also cited as prior art in the ‘519 patent, stems from  
 21 a 1994 application. See RJD ¶ 3, Korn Decl. Exh. 4. Figure 2 of Lekowski is shown on  
 22 the following page:

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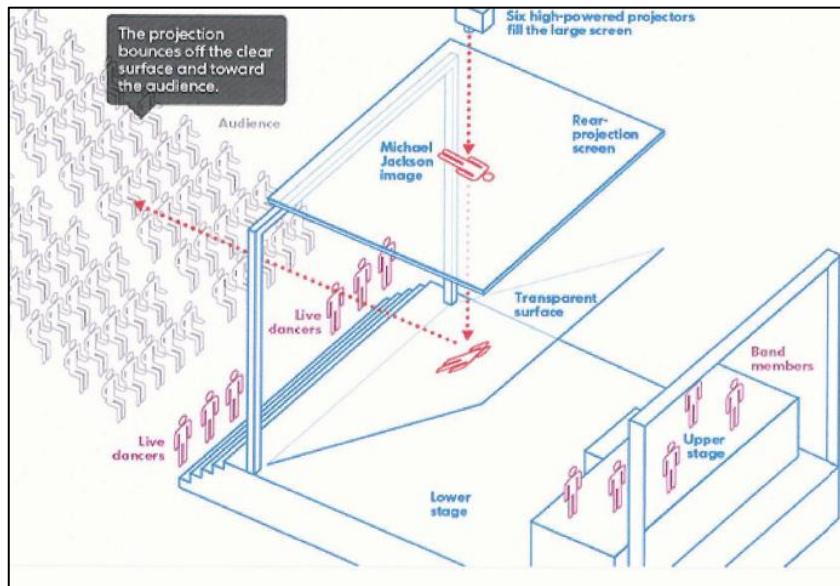
In this prior art system, “three dimensional imagery” was created with a “projector” (46) that projects an image onto a “mirror” (50), which reflected the image onto a reflecting “screen” (54), and then onto a “beam splitter” (44) that reflected the image toward the audience. *Id.*, Cols. 1-2; Col. 3 lines 25-28. Lekowski disclosed that instead of using a pane of glass, as in 19th Century illusions, “the beam splitter may comprise a thin flexible material or transparent or semi-transparent film such as Mylar®.” *Id.*, Col. 2, lines 28-35.

Notably, Lekowski taught to create a Pepper’s Ghost illusion using the exact same components that are used in the ‘519 patent: (i) a projector, (ii) which projects an image onto a mirror, (iii) which reflects the image into a reflecting surface, (iv) which reflects the image onto an angled foil. As a result, Plaintiffs could not have obtained patent protection for any and all apparatuses that use these components. Plaintiffs had to and did seek protection only for a particular configuration of these components. Specifically, as discussed above, the ‘519 patent limited its claimed invention to an apparatus in which the reflecting surface is located on the floor of the stage (rather than in the ceiling, as in Lekowski), and in which the Mylar foil is angled forward toward the audience (rather than backward away from the audience, as in Lekowski). These limitations had to be included in the claims of the ‘519 patent to distinguish it from the prior art.

#### **D. Plaintiffs Ignore The Limitations Of The ‘519 Patent Claims In Alleging Infringement In This Case**

Although Plaintiffs were required to impose the limitations discussed above on their claimed invention when they obtained the ‘519 patent, now, in alleging infringement, they

1 act as though the limitations do not exist. The SAC alleges that “Defendants employed the  
 2 Plaintiffs’ patented technology to produce a three-dimensional image of Michael Jackson  
 3 during the international television broadcast of the Billboard Music Awards.” SAC ¶ 3.  
 4 Plaintiffs allege that a true and correct “rendition” of the apparatus is shown in Exhibit E to  
 5 the SAC. *See id.* ¶ 43. Exhibit E contains the following diagram of the accused apparatus:



16 Plaintiffs’ suggestion that this schematic “confirms that [Defendants] used the  
 17 Plaintiffs’ patented technology” (SAC ¶ 43) is baffling. This schematic clearly shows that  
 18 the accused apparatus did not project the image of Michael Jackson on to a reflecting  
 19 surface on the floor of the stage, as required to infringe the ‘519 patent. Instead, like the  
 20 Rogers and Beaver references discussed above, the image of Jackson was projected  
 21 through a screen arranged in the ceiling of the apparatus. The schematic also clearly  
 22 shows that the foil on which the image was viewed was not angled “forwardly” toward the  
 23 audience, as required to infringe the ‘519 patent. Instead, as in each of the Rogers, Beaver,  
 24 and Lekowski prior art references, it was angled backward away from the audience.

25 Indisputably, the ‘519 patent was not infringed, and for the reasons discussed  
 26 below, the lack of infringement can and should be resolved by motion to dismiss.

**1 III. ARGUMENT**

**2 A. Legal Standards For Patent Infringement**

**3** Determining patent infringement is a two-step process:

**4** First, the court construes the patent's claims to ascertain their meaning and scope.

**5** Claim construction is a "purely legal question" reserved to the Court, which can be  
**6** conducted at any stage of the case. *Cybor Corp. v. FAS Techs.*, 138 F.3d 1448, 1451 (Fed.  
**7** Cir. 1998) (en banc); *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996);  
**8** *Conoco, Inc. v. Energy & Entl. Int'l, L.C.*, 460 F.3d 149, 1359 (Fed. Cir. 2006) ("district  
**9** court may engage in claim construction during various phases of the litigation, not just in a  
**10** *Markman* order"). Courts strive to construe claim terms consistent with "their ordinary  
**11** and customary meaning." *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005)  
**12** (en banc), quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir.  
**13** 1996). If an ambiguity exists, courts look "first to the intrinsic evidence of record, *i.e.*, the  
**14** patent itself, including the claims, the specification and, if in evidence, the prosecution  
**15** history." *Vitronics*, 90 F.3d at 1582.

**16** Second, after the claims of the patent are construed, the claims are compared to the  
**17** allegedly infringing apparatus. *Dawn Equip. Co. v. Kentucky Farms Inc.*, 140 F.3d 1009,  
**18** 1014 (Fed. Cir. 1998). To prove infringement of a patent, "a patentee must supply  
**19** sufficient evidence to prove that the accused product or process meets every element or  
**20** limitation of a claim." *Rohm & Haas Co. v. Brotech Co.*, 127 F.3d 1089, 1092 (Fed. Cir.  
**21** 1997) (emphasis added). "If even one limitation is missing or not met as claimed, there is  
**22** no literal infringement." *Mas-Hamilton Group v. LaGard, Inc.*, 156 F.3d 1206, 1211 (Fed.  
**23** Cir. 1998) (emphasis added).

**24 B. Patent Infringement Can Be Decided On The Pleadings**

**25** In adjudicating a motion to dismiss for lack of infringement, the Court "must assess  
**26** whether the complaint 'contain[s] sufficient factual matter, accepted as true, to 'state a  
**27** claim to relief that is plausible on its face.'"'" *Chavez v. United States*, 683 F.3d 1102,  
**28** 1108 (9th Cir. 2012) (quoting *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009)). But, "material

1 which is properly submitted as part of the complaint may be considered on a motion to  
 2 dismiss.” *Hal Roach Studios, Inc. v. Richard Feiner & Co., Inc.*, 896 F.2d 1542, 1555 (9th  
 3 Cir. 1989). Courts may also consider “matters of which a court may take judicial notice”  
 4 when ruling on a motion to dismiss. *Tellabs, Inc. v. Makor Issues & Rights, Ltd.*, 551 U.S.  
 5 308, 322 (2007).

6       In the copyright context, courts routinely find a lack of substantial similarity on a  
 7 Rule 12(b)(6) motion to dismiss. *See Christianson v. West Publ’g. Co.*, 149 F.2d 202, 203  
 8 (9th Cir. 1945) (“[W]hen the copyrighted work and the alleged infringement are both  
 9 before the court, capable of examination and comparison, non-infringement can be  
 10 determined on a motion to dismiss.”); *Wild v. NBC Universal, Inc.*, 788 F. Supp. 2d 1083,  
 11 1110 (C.D. Cal. 2011); *Zella v. E.W. Scripps Co.*, 529 F. Supp. 2d 1124, 1130 (C.D. Cal.  
 12 2007) (“For fifty years, courts have followed this rather obvious principle and dismissed  
 13 copyright claims that fail from the face of the complaint (and in light of all matters  
 14 properly considered on a motion to dismiss.”). In such cases, courts can consider  
 15 “exhibits submitted with the complaint” in finding a lack of infringement. *Zella*, 529 F.  
 16 Supp. 2d at 1127. Courts can also base a dismissal on “documents which are not  
 17 physically attached to the complaint but ‘whose contents are alleged in [the] complaint and  
 18 whose authenticity no party questions,’” as well as “matters subject to judicial notice.” *Id.*  
 19 at 1128.

20       In *Christianson*, *Wild*, and *Zella*, the courts refused to accept conclusory allegations  
 21 that the copyrighted and accused works were substantially similar because documents  
 22 which were submitted with the complaint and/or documents that could be judicially  
 23 noticed demonstrated otherwise. The same occurs in patent infringement cases. Patent  
 24 infringement can be decided at the pleading stage where the pleading submits documents  
 25 which demonstrate non-infringement as a matter of law. *See In re Bill of Lading*  
 26 *Transmission & Processing Sys. Patent Litig.*, 681 F.3d 1323, 1331 (Fed. Cir. 2012).

27       In *Bill of Lading*, the Federal Circuit affirmed a district court’s decision dismissing  
 28 a claim for contributory patent infringement on a Rule 12(b)(6) motion to dismiss. 681

1 F.3d at 1337. The Federal Circuit held that the district court's task on a motion to dismiss  
 2 was to "analyze the facts pled in the amended complaints and all documents attached  
 3 thereto with reference to the elements of a cause of action for contributory infringement to  
 4 determine whether [plaintiff's] claims of contributory infringement were in fact plausible."  
 5 *Id.* (emphasis added). "To state a claim for contributory infringement," the Court noted, "a  
 6 plaintiff must, among other things, plead facts that allow an inference that the components  
 7 sold or offered for sale have no substantial non-infringing uses." *Id.* The district court  
 8 held that "the amended complaints failed to state a claim for contributory infringement  
 9 because the facts alleged demonstrated that the Appellee's products do have substantial  
 10 non-infringing uses." *Id.* (emphasis in original). The Federal Circuit agreed, stating:

11       The materials regarding Appellees' products from which [plaintiff] quotes,  
 12 and, which are attached to the amended complaints, contain repeated  
 13 descriptions of non-infringing uses to which the accused products can be put.  
 14 [Plaintiff], thus, supplies the very facts which defeat its claims of  
 15 contributory infringement.

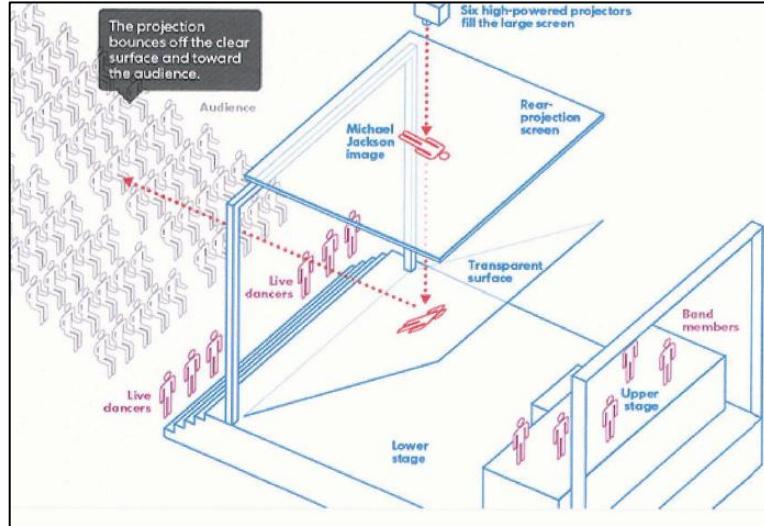
16 *Id.* at 1338.

17       Here, as in *Bill of Lading*, Plaintiffs' claims for infringement of the '519 patent fail  
 18 on the face of the SAC. The pleading attaches and incorporates by reference a schematic  
 19 illustrating the apparatus that Plaintiffs accuse of infringement. As discussed more below,  
 20 the schematic shows that the accused apparatus does not meet key limitations of the claims  
 21 of the '519 patent. Plaintiffs "supply the very facts" which defeat their claims for  
 22 infringement of the '519 patent, and the claims should be dismissed.

23       **C. The Accused Apparatus Does Not Literally Infringe The '519 Patent**

24       To infringe the '519 patent, the accused apparatus must meet each and every  
 25 limitation of claim 1 (the only independent claim). At least two limitations are plainly  
 26 absent from the accused apparatus shown in Exhibit E to the SAC:

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First, the accused apparatus does not satisfy the patent's requirement concerning the angling of the transparent foil. The '519 patent requires that "a transparent smooth foil (20) extends between said floor (30) and said ceiling (32) at a position which is disposed further forwardly." That is, the foil's position at the ceiling is forward of its position at the floor, so that it is angled forward toward the audience. This limitation is plainly missing from the accused apparatus. As shown above in Exhibit E to the SAC, the Billboard Awards apparatus used a transparent surface that was angled backward away from the audience.

Second, the accused apparatus does not meet the '519 patent's requirements that a "reflecting surface (18) is arranged on said floor (30) of said stage (28)," and that the "image source" be "directed on to the reflecting surface (18)." Plaintiffs have asserted that this limitation is met by the "rear-projection screen" shown in Exhibit E to the SAC. Obviously, however, that screen is not on the floor, as the '519 patent claims require. It is suspended above the apparatus, acting like a ceiling.<sup>4</sup>

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<sup>4</sup> The rear projection screen shown in Exhibit E to the SAC does not meet the requirement of a "reflecting surface." Rear projection screens are used to transmit light, not reflect it. Nevertheless, because Plaintiffs have proffered a construction of "reflecting surface" which they contend encompasses transmissive rear-projection screens, Defendants focus this Motion on the other limitations described above, as to which there is no claim construction dispute.

Simply put, the Billboard Awards apparatus used a different, non-infringing method for creating a Pepper’s Ghost illusion. Because the two limitations described above (among others) were not met by the accused apparatus, claim 1 is not infringed, *Rohm & Haas Co.*, 127 F.3d at 1092, and each of the remaining dependent claims was not infringed. See *Jeneric/Pentron, Inc. v. Dillon Co., Inc.*, 205 F.3d 1377, 1383 (Fed. Cir. 2000) (“‘dependent claims cannot be found infringed unless the claims from which they depend have been found to have been infringed’”) (citation omitted).

**D. As A Matter Of Law, The Accused Apparatus Cannot Be Held Infringing Under The Doctrine Of Equivalents**

In opposition to Defendants' prior motion to dismiss the FAC's claims for infringement of the '519 patent, Plaintiffs argued that the Billboard Awards apparatus infringes under the doctrine of equivalents. "Under the doctrine of equivalents, 'a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention.'" *Freeman Seating Co. v. American Seating Co.*, 420 F.3d 1350, 1357 (Fed. Cir. 2005), quoting *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 21 (1997).

Plaintiffs' position is that under the doctrine of equivalents, a transmissive screen in the ceiling of a stage is equivalent to a reflecting screen on the floor of the stage, and a backward angled foil is equivalent to a forward angled foil. As discussed in detail below, Plaintiffs' equivalence argument fails as a matter of law because (1) it vitiates the limitations of the '519 patent in violation of the Federal Circuit's "all elements rule," (2) it causes the '519 patent to "read on" the prior art, and (3) it impermissibly suggests infringement where, as here, Defendants were merely practicing the prior art.

## **1. The Doctrine of Equivalents Cannot Be Invoked To Vitiate The Limitations Of A Patent Claim**

**27** The Federal Circuit has “two articulations of the test for equivalence.” *Voda v.*  
**28** *Cordis Corp.*, 536 F.3d 1311, 1326 (Fed. Cir. 2008). “Under the insubstantial differences

1 test, ‘[a]n element in the accused device is equivalent to a claim limitation if the only  
 2 differences between the two are insubstantial.’’’ *Id.*, quoting *Honeywell Int’l Inc. v.*  
 3 *Hamilton Sundstrand Corp.*, 370 F.3d 1131, 1139 (Fed. Cir. 2004). “Alternatively, under  
 4 the function-way-result test, an element in the accused device is equivalent to a claim  
 5 limitation if it ‘performs substantially the same function in substantially the same way to  
 6 obtain substantially the same result.’’’ *Id.*, quoting *Schoell v. Regal Marine Indus., Inc.*,  
 7 247 F.3d 1202, 1209-1210 (Fed. Cir. 2001).

8 There is an inherent risk in allowing patentees to allege infringement for  
 9 apparatuses that are not covered by the literal language of a patent but are alleged to be  
 10 substantially similar to the claimed invention. The doctrine of equivalents could be used  
 11 by patentees to effectively re-write their patent claims, and to stake out broader protection  
 12 than they sought, obtained, or could have obtained in the first instance before the USPTO.  
 13 Expressing such a concern that the doctrine had “taken on a life of its own, unbounded by  
 14 the patent claims,” the Supreme Court in *Warner-Jenkinson* established the “all elements  
 15 rule” or “all limitations rule.” 520 U.S. at 1048-1049. The rule has two aspects.  
 16 *Freedman*, 420 F.3d at 1358. “First, the all limitations rule requires that equivalence be  
 17 assessed on a limitation-by-limitation basis, as opposed to from the perspective of the  
 18 invention as a whole.” *Id.* “Second, an element of an accused product or process is not, as  
 19 a matter of law, equivalent to a limitation of the claimed invention if such a finding would  
 20 entirely vitiate the limitation.” *Id.*, citing *Warner-Jenkinson*, 520 U.S. at 29; *see also*  
 21 *Carnegie Mellon Univ. v. Hoffman-La Roche Inc.*, 541 F.3d 1115, 1129 (Fed. Cir. 2008)  
 22 (“[T]he ‘all limitations rule’ restricts the doctrine of equivalents by preventing its  
 23 application when doing so would vitiate a claim limitation.”); *Novartis Pharm. Corp. v.*  
 24 *Abbott Labs.*, 375 F.3d 1328, 1339 (Fed. Cir. 2004) (“When the substitution of one feature,  
 25 however, for another into an element of the accused product places it outside the scope of  
 26 the recited claim element, the doctrine of equivalents may not be applied.”).

27 There are clear circumstances in which the all elements rule applies to preclude  
 28 infringement under the doctrine of equivalents. If a claim limitation is drafted narrowly to

1 cover a specific iteration of a feature, the patent cannot be construed to cover other types  
 2 of the same feature that were impliedly excluded. For example, in *Carnegie Mellon*, an  
 3 asserted claim in a patent required the use of a “bacterial source” and specified that “the  
 4 ‘bacterial source [is] *E. coli*.’” 541 F.3d at 1129. The plaintiff argued that another bacteria  
 5 called “*Taq*” was an equivalent. *Id.* The Federal Circuit affirmed the district court’s  
 6 finding that this argument “would essentially render the ‘bacterial source [is] *E. coli*’ claim  
 7 limitation meaningless, and would thus vitiate that limitation of the claims.” *Id.*; *see also*  
 8 *Tronzo v. Biomet, Inc.*, 156 F.3d 1154, 1160 (Fed. Cir. 1998) (regarding a claim limitation  
 9 requiring a “‘generally conical outer surface,’” rejecting that “any shape would be  
 10 equivalent to the conical limitation” because the argument “would write the ‘generally  
 11 conical outer surface’ limitation out of the claims”).

12 The all elements rule also clearly applies where a patentee claims equivalence  
 13 between features in the accused and in the patent which are the “antithesis” of each other.  
 14 For example, in *Moore U.S.A., Inc. v. Standard Register Co.*, 229 F.3d 1091 (Fed. Cir.  
 15 2000), the patent contained a limitation requiring an adhesive to extend the “majority of  
 16 the lengths” between two margins. *Id.* at 1105-1106. In the accused product, the adhesive  
 17 extended only “about 48%” of the length. *Id.* at 1106. The patentee argued that 48%  
 18 was “insubstantially different” from 50.001% (*i.e.*, a majority). *Id.* Even though the  
 19 distinction might seem trivial at first blush, the district court and Federal Circuit disagreed.  
 20 The Federal Circuit explained:

21 [T]he applicant’s use of the term “majority” is not entitled to a scope of  
 22 equivalents covering a minority for at least two reasons. First, to allow what  
 23 is undisputedly a minority (*i.e.*, 47.8%) to be equivalent to a majority would  
 24 vitiate the requirement that the ‘ . . . adhesive . . . extend the majority of the  
 25 lengths . . . .’ If a minority could be equivalent to a majority, this limitation  
 26 would hardly be necessary . . . . Second, it would defy logic to conclude that  
 27 a minority—the very antithesis of a majority—could be insubstantially  
 28 different from a claim limitation requiring a majority . . . .

1 *Id.* at 1106.

2       Similarly, in *Planet Bingo, LLC v. GameTech Intern., Inc.*, 472 F.3d 1338 (2006),  
 3 the asserted patent covered a “method of playing a game of bingo” in which a winning  
 4 combination of numbers was “predetermined.” *Id.* at 1341-1342. “The district court  
 5 determined that GameTech did not infringe either literally or under the doctrine of  
 6 equivalents because the accused device does not determine the winning combination until  
 7 after the first bingo ball is drawn . . . .” *Id.* at 1343 (emphasis added). The patentee argued  
 8 that the doctrine of equivalents should apply because the defendant’s game “incorporates  
 9 only an insubstantial variation” in which the “predetermined winning combination appears  
 10 right after, rather than right before, the first bingo ball is drawn.” *Id.* at 1344. The district  
 11 court and Federal Circuit disagreed. The Federal Circuit noted that the all elements rule  
 12 can apply to “small variations” and stated:

13       In this case, the proposed application of the doctrine of equivalents would  
 14 change ‘before’ to ‘after,’ a more marked difference. This court has refused  
 15 to apply the doctrine in other cases where the accused device contained the  
 16 antithesis of the claimed structure.

17 *Id.* at 1345.

18       In *Asyst Tech., Inc. v. Emtrak, Inc.*, 402 F.3d 1188 (Fed. Cir. 2005), the Federal  
 19 Circuit held that a claim limitation requiring a feature to be “mounted” was “binary in  
 20 nature”—“[t]hat is, the [feature] must be either mounted or unmounted.” *Id.* at 1195. As a  
 21 result, “[t]o hold that ‘unmounted’ is equivalent to ‘mounted’ would effectively read the  
 22 ‘mounted on’ limitation out of the patent.” *Id.* Stated another way, “the term ‘mounted’  
 23 can fairly be said to specifically exclude objects that are ‘unmounted.’” *Id.*

## 24           **2. Plaintiffs’ Argument Violates The All Elements Rule**

25       Plaintiffs’ equivalence argument violates the all elements rule and must be rejected.  
 26 To infringe the ‘519 patent, the accused apparatus must utilize “a reflecting surface . . .  
 27 arranged on said floor . . . of said stage . . . in the central region thereof,” with the image  
 28 being “directed on to the reflecting surface.” The Billboard Awards apparatus did not use

1 this feature. Instead, the accused apparatus projected the image of Michael Jackson  
 2 through a rear projection screen suspended from the ceiling. Even assuming (incorrectly)  
 3 that the rear projection screen in the Billboard Awards apparatus was a reflecting surface,  
 4 “ceiling” and “floor” are the antithesis of each other. The latter cannot be construed to  
 5 cover the former. To find that the requirement of a reflecting surface on the floor was  
 6 satisfied by a projection screen in the ceiling would vitiate the claim limitation altogether.  
 7 *See Warner-Jenkinson*, 520 U.S. at 29 (“It is important to ensure that the application of the  
 8 doctrine [of equivalents], even as to an individual element, is not allowed such broad play  
 9 as to effectively eliminate the element in its entirety.”).

10 Likewise, to infringe the ‘519 patent, the accused apparatus must use a transparent  
 11 foil that “extends between said floor . . . and said ceiling . . . at a position which is disposed  
 12 further forwardly.” That is, the foil’s placement at the ceiling must be forward of its  
 13 placement at the floor, such that the foil is angled forward toward the audience. *See also*  
 14 ‘519 patent, Fig. 2. The doctrine of equivalents cannot be used to expand this claim  
 15 limitation to cover a foil that is angled backward away from the audience, as in the  
 16 Billboard Awards apparatus. This feature of the accused apparatus is the antithesis of the  
 17 ‘519 patent’s claim limitation. To find infringement under the doctrine of equivalents  
 18 would vitiate this claim limitation as well. *Asyst*, 402 F.3d at 1195 (“[T]he doctrine of  
 19 equivalents does not apply if applying the doctrine would vitiate an entire claim  
 20 limitation”).

21 In opposing Defendants’ prior motion, Plaintiffs called the differences between the  
 22 accused apparatus and ‘519 patent “unimportant and insubstantial.” Not at all. Plaintiffs  
 23 did not invent Pepper’s Ghost, nor the use of projectors, mirrors, reflecting surfaces, and  
 24 plastic foils in a Pepper’s Ghost illusion. Plaintiffs only obtained patent protection for a  
 25 narrow, specific configuration of these components; and the Billboard Awards apparatus  
 26 did not use that configuration or anything like it.

27 This case epitomizes the concerns that the Supreme Court expressed in *Warner-*  
 28 *Jenkinson*—patentees using the doctrine of equivalents to claim widespread rights

1 “unbounded by the patent claims.” Although the claims of the ‘519 patent require a  
 2 reflecting surface on the floor, Plaintiffs ask this Court to hold that the surface can be  
 3 located anywhere (and not even be reflective). Although the claims of the ‘519 patent  
 4 require that the foil be angled forward, Plaintiffs ask this Court to hold that the foil could  
 5 be angled backward (or not at all). Plaintiffs placed limitations on their claimed invention  
 6 in order to induce the USPTO to issue a patent, but now, according to Plaintiffs, all of  
 7 those limitations are “unimportant.”

8 The all elements rule forbids this duplicity. The “distinct limitations” contained in  
 9 the ’519 patent’s claims were “part of the bargain when the patent issued.” *Planet Bingo*,  
 10 472 F.3d at 1344. If Plaintiffs desired and believed they were entitled to broader patent  
 11 protection, they could have drafted claims which omitted the requirement that a reflecting  
 12 surface be on the floor, and that the foil be angled forward. Cf. *Sage Products*, 126 F.3d at  
 13 1425 (“If Sage desired broad patent protection for any container that performed a function  
 14 similar to its claimed container, it could have sought claims with fewer structural  
 15 encumbrances.”). They did not do so and cannot now use the doctrine of equivalents to  
 16 “recapture . . . subject matter excluded by a deliberate and foreseeable claim drafting  
 17 decision.” *Id.*

18                   **3. Plaintiffs’ Equivalence Argument Impermissibly Expands  
 19                   The Scope Of The ‘519 Patent To Cover The Prior Art**

20 A second, independent basis exists for rejecting Plaintiffs’ equivalence argument as  
 21 a matter of law. If the Court accepts the argument that the ‘519 patent can be infringed by  
 22 an apparatus without a reflecting surface on the floor and without a forward angled foil,  
 23 then the patent is indistinguishable from the prior art and is invalid.

24 It is a fundamental principle of patent law that “the doctrine of equivalents cannot  
 25 allow a patent to encompass subject matter existing in the prior art.” *K-2 Corp. v. Salomon*  
 26 S.A., 191 F.3d 1356, 1367 (Fed. Cir 1999). “[A] patentee should not be able to obtain,  
 27 under the doctrine of equivalents, coverage which he could not lawfully have obtained  
 28 from the PTO by literal claims.” *Wilson Sporting Goods Co. v. David Geoffrey & Assoc.*,

1 904 F.2d 677, 684 (Fed. Cir. 1990). “The doctrine of equivalents exists to prevent a fraud  
 2 on a patent, [citation omitted], not to give a patentee something which he could not  
 3 lawfully have obtained from the PTO had he tried.” *Id.*

4       The Federal Circuit uses a “hypothetical claim methodology” to aid in determining  
 5 whether the assertion of infringement under the doctrine of equivalents impermissibly  
 6 causes the patent to encompass prior art. *See Streamfeeder, LLC v. Sure-Feed Sys., Inc.*,  
 7 175 F.3d 974, 981 (Fed. Cir. 1999). Under this methodology, the Court considers a  
 8 “hypothetical claim which is broad enough in scope to literally read on the accused  
 9 device.” *Id.* (emphasis in original). If this hypothetical claim would not have been  
 10 patentable—either because it would have been anticipated by a single prior art reference or  
 11 rendered obvious by references in combination—then the doctrine of equivalents cannot be  
 12 invoked to find infringement. *Id.* at 982; *see also Wilson*, 904 F.2d at 684-685. Otherwise,  
 13 the doctrine of equivalents will have granted plaintiff protection for something that was not  
 14 patentable in the first place.

15       Here, the “hypothetical claim” resulting from Plaintiffs’ equivalence argument lacks  
 16 the limitations requiring that the reflecting surface be on the floor and that the foil be  
 17 angled forward. In that case, any apparatus which uses a projector to direct an image onto  
 18 a reflecting surface and thereafter onto a reflective foil would be infringing. Clearly, the  
 19 apparatus from the Lekowski patent, which is prior art to the ‘519 patent, would be  
 20 covered by that hypothetical claim:

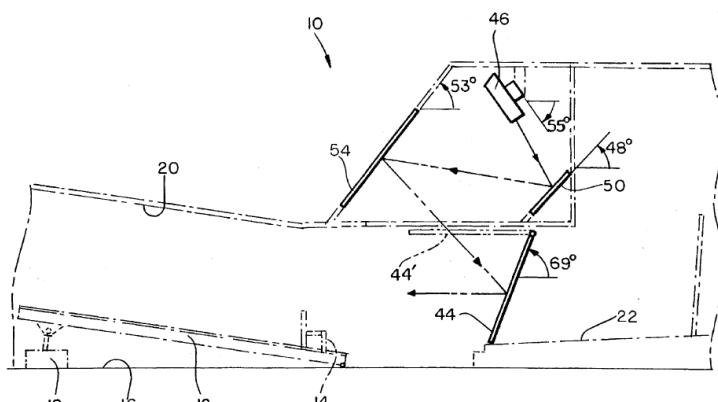


FIG. 2

1 As shown in Figure 2 from Lekowski above, that apparatus uses a projector (46) to direct  
 2 an image onto a reflecting surface (54) and then onto a foil (44) which extends between the  
 3 floor of the stage and ceiling. Under Plaintiffs' doctrine of equivalents argument, the  
 4 claims of the '519 patent are indistinguishable from the Lekowski patent.

5 The same is true of the Rogers and Beaver prior art patents if the Court accepts  
 6 Plaintiffs' construction of the term "reflecting surface." Plaintiffs contend that the rear  
 7 projection screen suspended in the ceiling of the Billboard Awards apparatus is a  
 8 "reflecting surface" within the meaning of the '519 patent. Defendants contest that  
 9 construction, but if it is accepted as true, then the '519 patent is no different from Rogers  
 10 and Beaver. As shown in the figures from Rogers and Beaver below, they both use  
 11 projectors in the ceiling which project an image through a rear projection screen, onto a  
 12 surface that reflects the image so as to create a virtual image appearing in the background  
 13 of the stage:

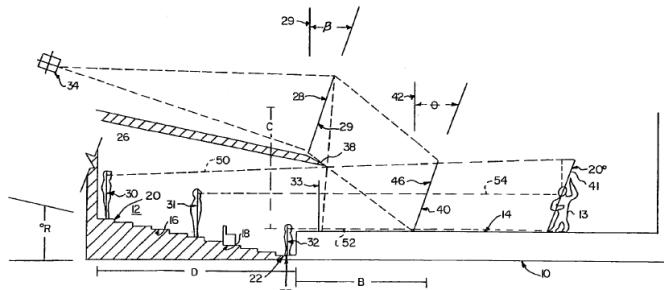


FIG. 2

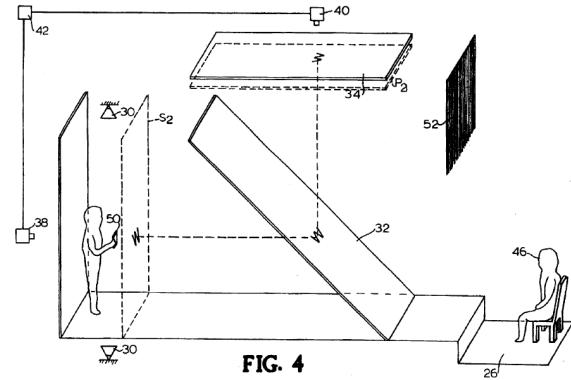


FIG. 4

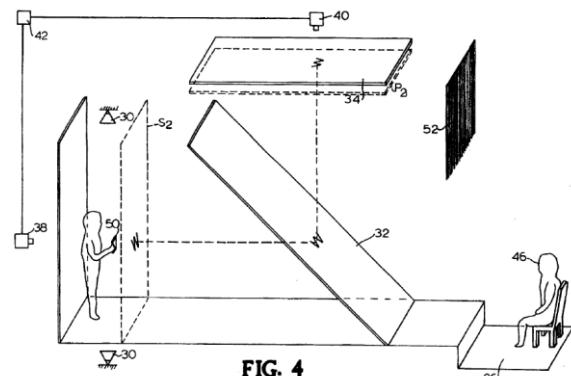
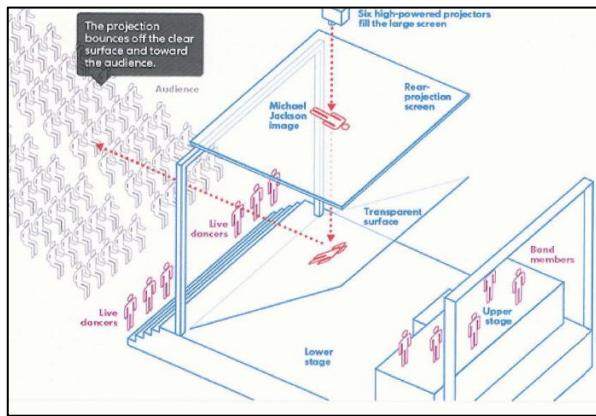
21 Here too, Rogers and Beaver disclose everything in the '519 patent if, as Plaintiffs argue,  
 22 we can dispense with the requirements that the reflecting surface be on the floor and that  
 23 the foil be angled forward.<sup>5</sup>

24  
 25  
 26  
 27 <sup>5</sup> Admittedly, Rogers and Beaver did not teach to use a plastic foil like Mylar, but  
 that is of no moment because Lekowski taught this before the '519 patent.

1        In sum, when the claims of the ‘519 patent are expanded under Plaintiffs’ doctrine  
 2 of equivalents argument, they become indistinguishable from what was already disclosed  
 3 in Lekowski, Rogers, and Beaver. Plaintiffs’ doctrine of equivalents argument in effect  
 4 deletes two of the key limitations of the ‘519 patent’s claims which had to be drafted into  
 5 the claims to try to distinguish them from the prior art. Plaintiffs are trying to use the  
 6 doctrine of equivalents to obtain a scope of protection that they neither sought nor could  
 7 have received from the USPTO. As a matter of law, therefore, the doctrine of equivalents  
 8 argument fails.

9                  **4. The Doctrine Of Equivalents Cannot Apply When The  
 10 Defendant Is Merely Practicing The Prior Art**

11        A third basis compels the rejection of Plaintiffs’ equivalence argument. It is an  
 12 established principle of patent law that “practicing the prior art” is a “complete defense” to  
 13 infringement under the doctrine of equivalents. *Sextant Avionique, S.A. v. Analog Devices, Inc.*, 172 F.3d 817, 827 (Fed. Cir. 1999); *see also C.R. Bard, Inc. v. U.S. Surgical Corp.*,  
 15 107 F. Supp. 2d 489, 493 (D. Del. 2000) (noting that accused infringers are “free to  
 16 practice technology disclosed in the prior art”). That defense plainly applies here. As  
 17 shown in the side-by-side images below, the accused apparatus from the Billboard Awards  
 18 show was comparable to the apparatus disclosed by Beaver:



26        Both apparatuses create a Pepper’s Ghost illusion on a stage. Both do so using a  
 27 projector which projects the image through a rear projection screen suspended in the  
 28 ceiling. In both apparatuses, a backward angled surface reflects the image toward the

1 audience. And in both cases, the reflected image appears as a virtual image in the  
 2 background.

3 Manifestly, Defendants were not using Plaintiffs' purported technology. They were  
 4 using a prior art method for creating a Pepper's Ghost illusion that was known years before  
 5 the '519 patent (and which, notably, was in the public domain). The doctrine of  
 6 equivalents cannot apply to cover an apparatus that was practicing the prior art, and for this  
 7 additional reason, Plaintiffs' infringement claim fails as a matter of law.

8 **IV. CONCLUSION**

9 For the reasons set forth herein, Defendants respectfully request that the Court grant  
 10 this motion and order the following claims dismissed with prejudice and without leave to  
 11 amend: the First Claim for Relief for Infringement of the '519 patent and the Third through  
 12 Sixth Claims for Relief insofar as they relate to any alleged infringement of the '519  
 13 patent.

14 Dated: March 13, 2015

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16 By: /s/ Gregory Korn

17 Gregory Korn

18 Attorneys for Defendants John Branca and  
 19 John McClain, in Their Capacity as Co-  
 20 Executors of the Estate of Michael J. Jackson,  
 deceased, MJJ Productions, Inc., and dick  
 clark productions, inc.

21 Dated: March 13, 2015

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 Rock

## **CERTIFICATE OF SERVICE**

2 The undersigned, counsel of record for Defendants John Branca and John McClain,  
3 in Their Capacity as Co-Executors of the Estate of Michael J. Jackson, deceased, MJJ  
4 Productions, Inc., and dick clark productions, inc., hereby certifies that on the 13th day of  
5 March, 2015, I caused a copy of the foregoing motion to dismiss to be served  
6 electronically to counsel of record for all parties who have appeared in this action through  
7 the Court's CM/ECF system (as all such counsel appear to be registered CM/ECF users).

By: /s/ Michael N. Feder  
Michael N. Feder

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